

FISCAL NOTE

HB 1381

April 1, 2005

SUMMARY OF BILL: Limits the amount awarded for punitive damages in medical malpractice action to not exceed two million dollars.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – If malpractice premium rates are reduced, the TennCare program and the state health insurance plan could experience more moderate cost increases in the long term. If malpractice awards were decreased, some persons in need of medical care could become eligible for TennCare.

Assumptions:

- The impact of malpractice changes cannot be determined. Such changes may moderate the growth of malpractice insurance premium rates and savings to TennCare would depend upon the amount of savings passed on by providers.
- If awards were reduced, some persons with significant health care costs could spend down their income and become eligible for TennCare sooner than would otherwise occur.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director